SEC Number 42392
File Number

ASIA AMALGAMATED HOLDINGS CORPORATION AND SUBSIDIARIES

(Company's Full Name)

2nd Floor Uniwide Coastal Mall
CB II, Roxas Blvd., Coastal Road Junction
Reclamation Area, Parañaque City

(Company's Address)

879-06-86

(Telephone Number)

March 31, 2006

(Calendar Year Ended)

SEC FORM 17-Q QUATERLY REPORT

Form Type

Amendment Designation (If applicable)

Period Ended Date

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the period ended March 31. 2006

2. SEC Identification Number 42392 3. BIR TIN No 000-530-828 VAT

4. **ASIA AMALGAMATED HOLDINGS CORPORATION.**
Exact name of registrant as specified in its charter

5. Philippines
Province, Country or other jurisdiction of incorporation or organization

6. (SEC use Only)
Industry Classification Code

6. Industry Classification Code:

7. 2/F Uniwide Coastal Mall, CB II Roxas Blvd., Coastal Road Junction, Reclamation Area, Parañaque City 1701
Address of registrant's principal office

8. (632)-879-06-86
Registrant's telephone number, including area code

9. Not applicable
Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common stock, ₱ 1.0 par value	799,999,981 shares

11. Are any or all of these securities listed on the Philippine Stock Exchange
Yes [X] No [ ]

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Section 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

(b) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

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ASIA AMALGAMATED HOLDINGS CORPORATION. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2006 AND DECEMBER 31, 2005

	Unaudited	Audited
	2006	2005
ASSETS		
Cash on hand and in banks	**₱1,086,509**	₱495,459
Note receivable (Note 3)	**70,534,784**	70,534,784
Other receivables - net (Note 4)	**7,258,094**	8,458,094
Property and Equipment – net (Notes 6)	**3,786,866**	3,842,172
Due from Affiliates (Note 10**)**	**15,381,886**	14,772,103
Other Assets - net (Note 7)	**82,161,398**	82,161,398
	₱180,209,538	₱180,264,010
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts Payable	**₱4,437,552**	₱4,437,552
Other Liabilities (Note 8 and 10)	**9,460,169**	9,078,859
Stockholders' Equity (Note 9)	**166,311,817**	166,747,599
	₱180,209,538	₱180,264,010

See accompanying Notes to Consolidated Financial Statements.

ASIA AMALGAMATED HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (LOSS)
FOR THE THREE MONTHS ENDED MARCH 31, 2006 AND 2005

	2006	2005
OPERATING INCOME		
Interest Income	₱1,042	₱742,366
Others	-	-
	₱1,042	₱742,366
COST AND EXPENSES		
Depreciation	55,306	422,546
Occupancy and related expenses	157,810	530,699
Listing Fee	220,000	220,000
Taxes and licenses	3,500	3,500
	436,616	1,176,745
INCOME (LOSS) FROM OPERATIONS	(435,574)	(434,377)
OTHER CHARGES (INCOME)		-
LOSS BEFORE INCOME TAX	(435,574)	(434,377)
PROVISION FOR INCOME TAX- FINAL	208	-
NET LOSS	(₱435,782)	(434,377)
Loss Per Share (Note 12)	(₱0.0005)	(₱0.0005)

See accompanying Notes to Consolidated Financial Statements

ASIA AMALGAMATED HOLDINGS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE THREE MONTHS ENDED MARCH 31, 2006 AND 2005

	2006	2005
CAPITAL STOCK (Note 9)		
Common stock - ₱1 par value		
Authorized – 800,000,000 shares		
Issued – 800,000,000 shares	**₱800,000,000**	₱800,000,000
ADDITIONAL PAID-IN CAPITAL	**11,915,611**	11,915,611
DEFICIT (RETAINED EARNINGS)		
Balance at beginning of year	**645,167,993**	601,615,492
Net loss for the year	**435,782**	434,377
Balance at end of year	**645,603,775**	602,049,869
Shares held in treasury – 19 shares	**19**	19
	₱166,311,817	₱209,865,723

See accompanying Notes to Consolidated Financial Statements.

ASIA AMALGAMATED HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2006 AND 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	**(₱435,782)**	(₱434,377)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Interest income	**(1,042)**	(742,366)
Depreciation	**55,306**	422,545
Operating income before changes in working capital accounts	**(381,518)**	(754,198)
Changes in operating assets and liabilities		
Increase (Decrease) in:		
Accounts payable		
Other liabilities	**381,518**	754,198
Cash generated from/ (used in) operations	**1,199,792**	
Interest income	**1.042**	(66,049,706)
Others		
Net cash provided by (used in) operating activities	**1.200.834**	(66,049,706)
CASH FLOWS FROM INVESTING ACTIVITIES		
Loans granted to affiliates		
Additional non-interest bearing advances to affiliates	**(609,783)**	-
Others		
Net cash generated from (used in) investing activities	**(609,783)**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from disposal of investment in shares of stock	**-**	66,049,706
Net cash provided by (used in) financing activities		
NET INCREASE (DECREASE) IN CASH ON HAND AND IN BANKS	**₱591,050**	₱-
CASH ON HAND AND IN BANKS AT BEGINNING OF PERIOD	**495,459**	22,701
CASH ON HAND AND IN BANKS AT END OF PERIOD	**₱1,086,509**	₱22,701

See accompanying Notes to Consolidated Financial Statements.

ASIA AMALGAMATED HOLDINGS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2006

Note 1 – Corporate Information

Asia Amalgamated Holdings Corporation (AAHC), the Parent Company, was incorporated under the laws of the Republic of the Philippines and registered with the Securities and Exchange Commission (SEC) per Registration No. 42392. Its primary purpose, as amended on October 6, 1995, is to invest in, purchase, or otherwise acquire and own, hold, use sell at wholesale, assign, transfer, mortgage, pledge, exchange or otherwise dispose of real and personal property of every kind or description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities and obligations of any corporation or corporations, association or associations, domestic or foreign, for whatever legal purpose or purposes the same may have been organized such as but not limited to environmental management and related services, commercial urban property development, banking, leasing, energy exploration and development; and to pay therefor in money or by exchanging therefor stocks, bonds, debentures, contracts or obligations to receive, collect and dispose of the interests, dividends and income arising from such properties; and to possess and exercise in respect thereof all the rights, powers, privileges of ownership, including all voting powers of any stock so owned.

The Parent Company was originally incorporated as Sulu Sea Development Corporation on October 7, 1970 to engage in the business of hydrocarbon, petroleum and oil exploration and production in the Philippines with small mineral exploration interests. Its name was subsequently changed to The Energy Corporation on February 5, 1981. Following the change in the majority ownership of the Company from the National Development Corporation to the present majority stockholders, the Securities and Exchange Commission (SEC) approved on October 6, 1995 the change of the Company’s name to Asia Amalgamated Holdings Corporation. and its primary purpose to that of a holding company.

The Parent Company’s subsidiaries are Marilag Transport Systems, Inc. (MTSI), ESBI Insurance Brokers, Inc. (EIBI) and Unikleen International Corporation (UIC), these being the companies that it controls through the exercise of its power to govern their financial and operating policies. MTSI was organized under the laws of the Republic of the Philippines and registered with the SEC per Registration No. A1996-03783 on August 7, 1996; its primary purpose is to acquire by purchase or lease, use and manage, sell and convey real properties such as lands, buildings, structures, and personal properties necessary, incidental or useful in connection with the proper conduct of the corporate business including but not limited to docks, pies, wharves, landing places, basins, warehouses, storehouses, terminals, icing plants, sheds or elevators, machineries, and equipment, and to pay in cash, shares of its capital stock, debentures and other evidences of indebtedness, or other securities, as may be deemed expedient, for any business or property acquired by the Corporation. EIBI was organized under the laws of the Republic of the Philippines and registered with the SEC per Registration No. A1997-6298 on July 8, 1997; its primary purpose is to act as insurance and/or reinsurance brokers for life and non-life companies insuring life, health, accidents, fire and allied lines, motor vehicles, casualty, surety bonds, marine cargo, marine hull, workmen compensation, comprehensive general liability, contractor's all risks, fidelity guarantee, money, securities and payroll robbery, property floater, merchandise floater, consequential loss insurances, aviation insurance, erection risk, boiler, machinery breakdown and industrial all risks. UIC was incorporated under the laws of the Republic of the Philippines and registered with the SEC per Registration No. ASO95-011334 on November 14, 1995. Its primary purpose is to engage in, conduct, and carry on the business of buying, selling, distributing, marketing at wholesale and retail insofar as may be permitted by law, all kinds of goods, commodities, wares and merchandise of every kind and description, such as but not limited to water filter equipment, purified water; to enter into all kinds of contracts for the export, import, purchase, acquisition, sale at wholesale or retail and other disposition of its own account as principal or in representative capacity as manufacturer's representative, merchandise broker, indentor, commission merchant, factor or agents, upon consignment of all kinds of goods, wares, merchandise or products whether natural or artificial.

The aforecited Parent Company and its three subsidiaries are collectively known herein as the "Company".

The Company's present office address is at 2nd Floor, Uniwide Coastal Mall, Central Business Center II, Roxas Blvd. Coastal Road Junction, Reclamation Area, Parañaque City.

GOING CONCERN

The consolidated financial statements have been prepared assuming that the Company will continue operating in the normal course. The Company has suffered recurring losses from operation and has a deficit as of March 31, 2006 amounting to ₱643,516,718. As of the same date none of its three remaining subsidiaries have operations. Management has no concrete and immediate plan on how to reverse the current situation. The Company's continuance of operations in the normal course is dependent upon their ability to: (1) generate sufficient cash flow to meet their obligations on a timely basis, (2) obtain additional financing or capital infusion, (3) get competent technical people and personnel to regain the operations and eventually profitability. Unfortunately, the Company has not made any significant improvement on its operations and plans for the future.

The consolidated financial statements do not include any adjustments relating to the recoverability of recorded assets carrying amounts and the amount of liabilities that might result should the Company be unable to continue operating in the normal course.

Note 2 – Summary of Significant Accounting and Financial Reporting Policies

These interim financial statements are prepared in conformity with the generally accepted accounting principles applied consistent with that of the latest audited financial statement as of December 31, 2005, and under the historical cost convention. There has been no change in the accounting policies and methods adopted during the period. The principal accounting policies adopted in preparing the consolidated financial statements are as follows:

Basis of Preparation

The accompanying consolidated financial statements have been prepared under the historical cost convention and in conformity with generally accepted accounting principles in the Philippines.

Uses of Estimates
The preparation of consolidated financial statements in conformity with the generally accepted accounting principles in the Philippines requires the use of estmates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current event and action, actual results may ultimately differ from those estimates.

Pronouncements of New Accounting Standards
The Accounting Standards Council (ASC) approved the issuance of new and revised accounting standards which are based on revised International Accounting Standards (IAS) and new International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The new standards are effective for annual periods beginning on or after January 1, 2005. The ASC has re-named the standards that it issues to correspond better with the issuances of the IASB. The following Philippine Accounting Standards (PAS) correspond to adopted IAS while Philippine Financial Reporting Standards (PFRS) correspond to adopted IFRS; previously referred to by ASC as Statement of Financial Accounting Standards (SFAS):

PAS 19 - *Employee Benefits,* applies to all employee benefits offered by an employer to employees and their dependents and beneficiaries. This standard applies to employee benefits under: (i) formal plans and agreements between an enterprise and its employees, (ii) national, local, industry or multi-employer plans; and informal practices giving rise to a constructive obligation.

This standard also identifies the following categories of employee benefits such as short-term employee benefits, post employment benefits, other long-term employee benefits, termination benefits and equity compensation benefits.

PAS 21 - *The Effects of Changes in Foreign Exchange Rates,* prescribes the accounting treatment for foreign currency transactions and provides guidance on the translation method and on determining the functional and presentation currencies of a reporting entity. The standard removes the limited option in the previous version of SFAS 21/IAS 21 to capitalize exchange differences resulting from a severe devaluation or depreciation of a currency against which there is no means of hedging. Under the standard, such exchange differences are now recognized in profit or loss since - capitalization of such exchange differences is no longer permitted in any circumstances.

PAS 32 *Financial Instruments: Disclosures and Presentation,* prescribes the requirements for the presentation of financial instruments and identifies the information that should be disclosed about them.

PAS 39 - *Financial Instruments: Recognition and Measurement,* prescribes the principles for recognizing, measuring, and disclosing information about financial assets and financial liabilities. PAS 39 supplements the disclosure provision of PAS 32.

PAS 40 - *Investment Property,* prescribes the accounting treatment for investment property and related disclosure requirements. The standard permits entities to choose either a fair value model or a cost model.

The Company has either adopted effective 2005 or will adopt the new accounting standards referred to above as when they become relevant and applicable under the business circumstances obtaining thereat.

Adoption of Philippine Financial Reporting Standards

In relation to standards referred to above, the Company has resolved to adopt the following during the year:

PFRS 1 - *First Time Adoption of PFRS,* sets out the procedures that an entity must follow when it adopts PFRS for the first time as the basis for preparing its general purpose financial statements. It provides guidance on the accounting policies, reporting periods, recognition, derecognition, reclassification and measurement of assets and liabilities. The Standard sets out optional and mandatory exemptions from the general restatement and measurement principles of assets and liabilities.

The Company is also aware of the following PFRS effective January 1, 2005:

PFRS 2 - *Share-Based Payment,* requires an entity to recognize goods or services received or acquired in a share-based payment transaction when it obtains the goods or as the services are received. The entity shall recognize a corresponding increase in entity if the goods or services were received in an equity-settled share-based payment transaction, or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

PFRS 3 - *Business Combinations,* requires all business combinations within its scope to be accounted for by applying the purchase method. It sets out guidance for the recognition and measurement of business combinations. It requires the recognition of goodwill, if any, from the date of acquisition. It prohibits the amortization of goodwill acquired in a business combination and instead requires the goodwill to be tested for impairment annually or more frequently if - events or changes in circumstances indicate that the asset might be impaired.

PFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations,* adopts the classification "held for sale" and introduces the concept of a disposal group by sale together as a group in a single transaction and liabilities directly associated with those assets that will be transferred. It specifies that assets or disposal groups classified as held for sale be carried at lower of carrying amount and the fair value less costs to sell and not be depreciated.

Further, the following PAS, as based on revised IAS, were either adopted in 2005 or where and when practicable will be the subject of adoption by the Company:

PAS 1 - *Presentation of Financial Statements,* which provides a framework within which an entity assesses how to present fairly the effects of transactions and other events. It provides the criteria for classifying liabilities as current or non-current, prohibits the presentation of items of income and expense as extraordinary items, specifies disclosures about the judgments made by management in applying accounting policies, the key sources of estimation of uncertainty at the balance sheet date that have significant risks.

PAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors,* which eliminates the concept of fundamental error and the allowed alternative to retrospective application of voluntary changes in accounting policies and retrospective restatement to correct prior period errors. The standard defines material omissions and misstatements and describes how to apply the concept of materiality when applying accounting policies and correcting errors.

PAS 10 - *Events After Balance Sheet Date*, clarifies that dividends declared after balance sheet date are not to be recognized as a liability at the balance sheet date.

PAS 16 - *Property, Plant and Equipment,* which clarifies the principal issues in accounting for property, plant and equipment in terms of recognition of assets, the determination of their carrying amounts and the depreciation charges and impairment losses to be recognized in relation to them.

PAS 17 - *Leases,* which provides limited revision to clarify the classification of a lease of land and buildings and prohibits expensing of initial direct costs in the financial statements of lessors.

PAS 24 - *Related Party Disclosures,* which provides additional guidance and clarity in the scope of the standard, the definitions and the disclosures for related parties. It requires disclosure of the compensation of key management personnel.

PAS 27 - *Consolidated and Separate Financial Statements,* which sets standards to be applied in the preparation and presentation of consolidated financial statements for a group of entities under the control of a parent; and in accounting for investments in subsidiaries, jointly controlled entities, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements.

PAS 28 - *Investment in Associates,* which applies to all investments in which an investor has significant influence but not control or joint control except for investments held by a venture capital organization, mutual fund, unit trust, and similar entity that (by election or requirement) are accounted for as held for trading under PAS 39.

PAS 33 - *Earnings Per Share,* which prescribes a limited revision to provide additional guidance and illustrative examples on selected complex matters, such as the effects of contingently issuable shares; potential ordinary shares of subsidiaries, joint ventures or associates; participating equity instruments; written put options; purchased put and call options; and mandatorily convertible instruments.

PAS 36 - *Impairment of Assets,* which prescribes the procedures that an entity applies to ensure that its assets are carried at no more than their recoverable amount.

PAS 38 - *Intangible Assets,* which prescribes the accounting treatment for intangible assets and requires an entity to recognize an intangible asset if, and only if, specified criteria are met. The standard also specifies how to measure the carrying amount of intangible assets and requires specified disclosures about intangible assets.

Based on current circumstances, the Company does not believe that the effects of the adoption of the aforecited new standards will be material.

Principles of Consolidation

The consolidated financial statements include the accounts of company and the following subsidiaries:

Name		% of Ownership
Marilag Transport System, Inc.	MTSI	100%
ESBI Insurance Brokers, Inc.	EIBI	100%
Unikleen International Corporation	UIC	90%

All significant intercompany transactions and account balances are eliminated in the consolidated. There were no unconsolidated subsidiaries. There are no enterprises on which one half of the voting power is owned, directly or indirectly through subsidiaries but which because of the absence of control, is not a subsidiaries.

Cash and Cash Equivalents

Cash and cash equivalent include cash and other items which are all highly liquid debt instruments purchased with maturities of three months or less from dates of acquisition.

Revenue and Cost Recognition

Revenue is recognized to the extent that it is probable that economic benefit will flow to the AAHC Group and the revenue can be reliably measured.

a) Commission income is recognized when earned which is when premium on insurance policies are billed simultaneous with the issuance of the policies.
b) Ticket sales on ferryboats are on cash basis. Chartered trips fees are recognized as soon as the arrangements are finalized and bills were issued.
c) All other revenues are recognized when earned that is at the point of sales.

Inventory Valuation

Inventories are valued at the lower of cost or net realizable value, using the first-in, first-out method.

Investment in Shares of Stock

Investment in shares of stock, is recorded at the lower of cost or market. The amount by which cost exceeds market value is accounted for as a valuation allowance. Accumulated charges in the valuation allowance for the investment is included in the stockholders' equity section of the balance sheets and shown separately as "Net unrealized loss on decline in value of investment".

Property and Equipment

Property and equipment are initially measured at cost less subsequent accumulated depreciation, amortization and impairment losses, if any. The cost of an asset consists of its purchase price and cost directly attributable to bringing the asset for its intended use.
Subsequent expenditures relating to an item of property and equipment that has already been recognized is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the original assessed standard of performance of the existing asset will flow to the Company. All other subsequent expenditures are recognized as expenses in the period in which these are incurred.

Depreciation is computed based on the carrying values of the component properties over their estimated economic useful lives, as detailed below, using the straight-line method:

Property Classification	Estimated Life
Condominium units and improvements	30 years
Ferryboats	20 years

Land Held for Future Use
Land held for future use is recorded at the lower of cost or market. The amount by which cost exceeds market/zonal value is accounted for as valuation allowance and charged to current operations.

Ferryboats not Used in Operations
Ferryboats not used in operations, are stated at cost, less accumulated impairment loss.

Deferred Charges
Expenses incurred prior to the start of commercial operations were capitalized and are amortized for a period of five years from the start of commercial operations. Computer software costs are capitalized and are being amortized over five years.

Impairment of Assets
At each balance sheet date, the carrying values of the Company's tangible assets are reviewed for impairment when events or changes in circumstances indicate that their carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

The recoverable amount of property and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Impairment losses are recognized in the income statement.

If there is any indication at the balance sheet date that an impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the Company estimates the recoverable amount of that asset and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of impairment loss.

Deferred Income Taxes
The company and its subsidiaries follows the liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the estimated future tax effects attribute to temporary differences between the financial reporting bases of assets and liabilities and their related tax bases and net operating loss carryover. Under the liability method, deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided for the portion of deferred tax assets not expected to be realized in the future.

Related Parties
Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Individuals, associates or companies that directly or indirectly control or are controlled by or are under common control with the Company are also considered related parties.

Earnings (Loss) per Share
Earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of issued common shares.

Note 3 – Note Receivable

This pertains to short-term loans extended to Uniwide Sales Warehouse Clubs, Inc., an affiliate, which bears interest at the rate of 12% per annum. The principal amount is collectible on June 15, 2006 while the related interests are due at the end of each month based on the unpaid balances of the loans. The said loans are secured by assignment of merchandise inventory of the said affiliate amounting to ₱118,673,748 and such other security transactions as may have been executed or shall be executed by it and other persons or entities in favor of the Company. The related interest receivable is disclosed in Note 4 below.

Note 4 – Other Receivables, Net

This account consists of:

	March 31 2006	December 31 2005
Premium on insurance coverage	**P 1,867,299**	P 1,867,299
Interest receivable	**6,622,338**	6,622,338
Other receivables	**75,186,364**	76,386,364
Input VAT	**317,652**	317,652
Creditable tax withheld	**318,104**	318,104
	84,311,757	85,511,757
Allowance for doubtful accounts	**77,053,663**	77,053,663
	P 7,258,094	P 8,458,094

Note 5 – Investment in Shares of Stock

The investment in shares of stock which was sold in 2005 pertains to the investment in Semirara Coal Mines costing ₱95,185,988, with a nil value in 2004 due to unrealized loss on decline in its value as shown under the stockholders' equity section as "unrealized loss on decline in value of investment in shares of stock". The sale of such investment resulted to a loss amounting to ₱25,052,425.

Note 6 – Property and Equipment, Net

The details pertinent to this account are presented below:

	Condominium Units and Improvements	Ferryboats	Furniture, Fixtures and Equipment	Total
Cost				
At January 1, 2006	P6,405,106	P29,419,555	P3,493,175	P39,317,836
Disposals	-	(29,419,555)	-	(29,419,555)
At March 31, 2006	6,405,106	-	3,493,175	9,898,281
Accumulated depreciation				
At January 1, 2006	2,341,710	15,381,611	3,493,175	21,216,496
Provisions	221,224	856,891	-	1,078,115
Disposals	-	(16,238,502)	-	(16,238,502)
At March 31, 2006	2,562,934	-	3,493,175	6,056,109
Net book value				
At March 31, 2006	**P3,842,172**	**P -**	**P -**	**P 3,842,172**
At December 31, 2005	P3,842,172	P -	P -	P3,842,172

Note 7 – Other Assets, Net

The composition of this account is as follows:

	March 31 2006	December 31 2005
Land held for future use	**P92,168,828**	P 92,168,828
Deferred charge - MCIT	**143,772**	143,772
Others	**110,995**	110,995
	92,423,595	92,423,595
Less: Allowance for decline in market value of land held for future use	**10,262,197**	10,262,197
	P82,161,398	**P82,161,398**

In 2004 the land held for future use registered an improved zonal value of ₱81,906,631, compared to the ₱45,085,534 in the previous year. The increased zonal valuation resulted to the recovery on its decline in value amounting to ₱34, 031,678 in said year.

The ferryboats not used in operations as well as those disclosed in Note 6 above were sold in 2005.

Note 8 – Other Liabilities

The details of the account are as follows:

	March 31 2006	December 31 2005
Due to affiliates	**P7,564,385**	P7,183,075
Other accounts payable	**1,286,095**	1,286,095
Advances from a stockholder	**401,221**	401,221
Minority interest	**164,825**	164,825
Deferred credits	**43,643**	43,643
	P9,460,169	P9,078,859

Note 9 – Stockholders' Equity

This account consists of:

	March 31 2006	December 31 2005
Common stock - P1 par value		
Authorized and issued - 800,000,000 shares	**P800,000,000**	P800,000,000
Capital in excess of par	**11,915,611**	11,915,611
Deficit	**(645,603,775)**	(645,167,993)
Treasury stock	**(19)**	(19)
	P166,311,817	P166,747,599

Note 10 – Related Party Transactions

The Company's related party transactions, as consummated in the regular course of business are in the nature of the following:

a) Short-term, 12% interest bearing notes, extended to an affiliate, which outstanding balance stand at ₱70,534,784. Interest earned amounted to ₱7,188,601.
b) Advances without definite call dates and interest with from affiliates.
c) Advances from a certain stockholder amounting to ₱401,221 as disclosed in Note 8 hereof.

Note 11 – Income Tax

No provision for income tax was determined for the period ended March 31, 2006.

Note 12 – Earnings (Loss) Per Share

The financial information pertinent to the derivation of earnings (loss) per share is shown hereunder:

	March 31 2006	March 31 2005
Net loss for the year	**P435,782**	P434,377
Weighted average number of outstanding common shares	**799,999,981**	799,999,981
Loss per share	**0.0005**	P0.0005

Note 13 – Commitments and Contingencies

There are claimants, some of whom have filed their claims in various courts impugning the validity of the titles of the former owners on certain properties bought by the Company shown as Land held for future use under the “Other assets” account in the consolidated balance sheets. Management believes that the former owners have strong case against these claimants and this will not have a material adverse effect on the Company’s consolidated financial statements. There are no commitments to any acquisition of property, plant and equipment or for any capital expenditures. Management believes that there are no material contingent assets and liabilities that could affect the Company’s financial position and as such require disclosures.

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

The company and its subsidiaries are still in the non-operating status as of the quarter ended March 31, 2006. Management still has no concrete plans on how and when operations will be resumed. Below are some of the key performance indicators which the company believes are appropriate considering its present NON-OPERATING status.

KEY PERFORMANCE INDICATORS

Results of Operation

Below are the significant movements in certain income statements accounts.

Revenues
The company registered net revenue of ₱1,042 for the three months ended March 31, 2006. The amount represents the interest earned on bank deposits. Revenue declined by ₱741 thousand because of non-accrual of interest on the loans granted to Uniwide. The reason for non-accrual is that there is reason to believe that borrower can no longer pay additional interest. The amount loaned out came from the proceeds of the sales of shares of stock of Semirara Coal Mining held by the company as investment.

Expenses
Total expenses for quarter amounted to ₱436,616. This represents a decrease of ₱740,128 or 169.51% when compared to ₱1.18 million for the same period last year. The decrease is essentially due to smaller depreciation expense this period in 2006 because of the disposal of ferry boats in late 2005. Likewise, a lower share in common costs and expesnes as the company's office has been transferred to a much smaller locations at Coastal Mall.

Net Income / (Loss)
As compared to the same period in 2005, the net operating results registered insignificant decline from a loss of ₱434 thousand for the first quarter of 2005 to a loss of ₱436 thousand for the first quarter this year.

Loss per share
Loss per share remains almost the same for both periods. Loss per share is ₱00054.

Financial Position

The company's total assets stood at ₱180.21 million as of March 31, 2006. This represents a decrease of P 54 thousand as compared to December 31, 2005 balance of ₱180.26. Material increase or decreases in the accounts were essentially due to the following.

Cash and Cash Equivalent
The increase of ₱591 thousand was principally due to collection of balance on the proceeds from sale of ferry boats in the amount of P 1.2 million.

Other receivables
The account registered a decrease of ₱1.2 million from ₱8.46 million as of year-end 2005 to ₱7.26 million as of March 31, 2006. The decrease is due to the amount collected from buyer of ferry boats. The amount of ₱1.2 million was set up as receivable in 2005.

Due from affiliates
The amount increased by ₱609 thousand representing additional fund transfers made to Uniwide as part of their non-interest bearing advances.

Property and Equipment
The carrying value was reduced by ₱55 thousand representing deprecation for the quarter. No property and equipment were purchased during the quarter nor any items sold during the same period. No impairment loss was likewise recognized.

Other Liablilities
The account increased by ₱381 thousand on account of expenses paid for in behalf of the company by affiliated companies and partly by amounts due to supplier particularly for the maintenance of ferry boats.

Stockholders' Equity
The account decreased by ₱435 thousand from ₱166.75 million as of December 31, 2005 to ₱166.31 million as of March 31, 2006. The decrease is principally due to the net loss sustained for the quarter.

Financial Ratios

	As of March 31, 2006	**As of December 31, 2005**
Current Ratio	5.68x	5.88x
Debt Ratio	0.077x	0.075x
Equity Ratio	0.923x	0.925x
Debt / Equity Ratio	0.083x	0.081x

The above ratios are computed based on the following formulas:

Current Ratio equal Current Assets divided by Current Liabilities. Current Assets consists of Cash and Receivables while Current Liabilities consists of Accounts Payables and Accrued Expenses and other liabilities.

Debt Ratio equal Total Liabilities divided by Total Assets

Equity Ratio equal Stockholders' Equity divided by Total Assets

Debt / Equity Ratio equal Total Liabilities divided by Stockholders' Equity

As mentioned, the above indicators were used with consideration to the non-operating status of the company and its subsidiaries. Other indicators or performance will be utilized once the company and its subsidiaries return to normal operation.

Plans and Prospects
The company has yet to come up with a definite plans how to resume operations and when.

Potential Sources of Revenues
The company has properties, which can be a source of potential income and working capital. These are the following:

1. Land consisting of 116 hectares located in Montalban, Rizal.
2. Land consisting of four adjacent parcels located at Puerto Prinsesa, Palawan.
3. Condominium unit located at PSE Center in Ortigas.

The above properties can either be sold or rented to make them productive in the near future. The viability of the above alternatives is now being evaluated by management.

Status of the Company's Subsidiaries

All the three subsidiaries of the company still have no operation for the 1st quarter of the year 2006. Unikleen International Corporation has not been in operation for the past four years now. During the middle of 2001, Marilag Transport, Inc. decided to stop its operation due to heavy losses incurred in its operation brought by frequent breakdown on its boats and the escalating cost of fuels and maintenance. ESBI Insurance Brokers has likewise ceased operating by end of June 2002, as it has not renewed its license. As emphasized in the discussion in the previous reports, in as much as all the subsidiaries have shut down their respective operations and management still has no concrete plans yet as to the current situation, it is expected that no recovery is foreseen in the near future.

Marilag Transport Systems, Inc. (MTSI)

The company has ceased operating effective June 2001 to stop incurring further losses. The boats are now in Naic, Cavite. Management entertains possible sales of the boats. As of end of March 31, 2004, all boats are not operating yet therefore no income is expected for the coming months. The group, which has earlier shown interest in acquiring the boats, has decided not to pursue acquisition. At the moment, management has no definite plan for the company. Operating cost incurred for the period essentially composed of amortization and depreciation.

ESBI Insurance Brokers, Inc. (ESBI)

The brokers licenses expired on June 30, 2001 and as result, it can no longer solicits business. Its existing clients particularly Uniwide accounts are now being services by another brokering firm. In view of this no commission was earned for the period. As mentioned in the past reports, the brokers has not renewed its
Certificate of authority and therefore cannot engage in insurance solicitation. No operation for the quarter ended March 31, 2004.

Unikleen Interntion Corp. (UIC)

No operation for the period. The company has not been operating since 2000. Management has no definite plans yet for the company. No income was earned and recognized.

Financial Position

There have not been any known trends, demands, commitments, events or uncertainties that will have a material impact on the company's operation and financial position

(i) There have been no known trends, demands, commitments that will have a material impact on the company's liquidity other than the fact that the company and its subsidiaries have no operation and that management has no concrete plans yet on how to reverse the current situation of the company.

(ii) There is no known event that might trigger direct or contingent financial obligation that is material to the company nor the company is default of any obligation that might result to its acceleration.

(iii) There was no material subsequent off-balance sheet transactions, arrangements, obligations, contingent or otherwise and other relationship of the company with any unconsolidated entities or other persons created during the period.

Part II – Other Information

There was no other undisclosed information, which was not covered by the entire SEC 17-C previously filed.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned.

ASIA AMALGAMATED HOLDINGS CORPORATION

ROMEO J. BERNABE
Internal Auditor
May 18, 2006

JULIUS P. MALING
President
May 18, 2006

ASIA AMALGAMATED HOLDINGS CORPORATION
CONSOLIDATED AGING OF ACCOUNTS RECEIVABLES
AS OF MARCH 31, 2006

ACCOUNTS	Outstanding Receivable 21-Mar-06	>>>>>>>>>> AGE OF RECEIVABLE <<<<<<<<<<						
		I month	2 - 3 months	4 - 6 months	7 mos. to 1 year	1 to 2 years	3 to 5 years above	Past due accounts & items in litigation
Type of Accounts Receivable								
a) Trade Receivable								
1) Premium on isnruace coverage	1,867,299						1,867,299	
Less: Allowance for Doubtful ac	1,867,299						1,867,299	
	-	-	-	-	-	-	-	-
2) Commission Receivable	-						-	
3) Sales	-						-	
Net Trade Receivable	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
b) Non - Trade Receivable								
1) Loans receivable	6,622,338			6,622,338				
2) Others	75,822,120						75,822,120	
Less: Allowance for Doubtful ac	75,186,364						75,186,364	
Net Non - Trade Receivable	**635,756**	**-**	**-**	**-**	**-**	**-**	**635,756**	**-**
NET RECEIVABLE	**7,258,094**	**-**	**-**	**6,622,338**	**-**	**-**	**635,756**	**-**

TYPE OF RECEIVABLE	NATURE / DESCRIPTION	COLLECTION PERIOD
1. Premium Receivable	Premiums on insurance underwritten by the broker for which it receives commission	Normalily 6 months to 1 year
2. Commission Receivable	Commission on the premiums underwritten by the broker	As soon as premium is collected
3. Sales	Water filters sold by UIC to Uniwide	Two to three months

NORMAL OPERATING CYCLE 365 DAYS